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SUBJECT: ARGENTINE FM TAIANA MEETS CODEL MEEKS

¶1. (SBU) Summary and introduction: Argentine FM Jorge Taiana received in his office Rep. Gregory Meeks (D-NY), Rep. Ruben Hinojosa (D-TX), and Rep. Paul Ryan (R-WI) December 18. The codel conveyed a strong U.S. desire for dialogue and strengthened bilateral relations with Argentina. Taiana expressed confidence that Kirchner policies had put an end to Argentina's boom-and-bust cycles, but worried that the global financial crisis would undo much of what had been achieved under the Kirchners. He said he hoped the incoming Obama administration would show commitment to dialogue and suggested ending the Cuba embargo to augur new relations with the region. The Ambassador and polcouns (notetaker) accompanied the codel. End summary.

A Call for Dialogue

¶2. (U) Taiana welcomed the codel, stressing his appreciation of their call on the Argentine Congress as the GOA considered it very important to promote parliamentary exchange and dialogue.

¶3. (SBU) Rep. Meeks said the codel had excellent meetings in Argentina, including the meeting with Congress and with Cabinet Chief Sergio Massa (septels). He predicted there would be an increase in congressional travel to Argentina because of the growing recognition of Argentina's importance. He said the incoming administration of President-elect Obama will want to engage with the GOA. The designee for Secretary of State, Senator Hillary Rodham Clinton, knew Argentina and President Cristina Fernandez de Kirchner (CFK). As evidence of U.S. congressional interest in Argentina and the region, Meeks named several caucuses committed to finding ways to work together for the benefit of the hemisphere. Meeks introduced the other codel members and noted the codel was bipartisan.

¶4. (SBU) Rep. Hinojosa said he was looking to see how the bilateral dialogue could be strengthened. Noting a Latin perception that the USG had recently been neglecting the region, with the possible exception of Colombia, he predicted there would be a positive change with the Obama administration. He said the new administration wanted to work with the region toward win-win situations, and that Argentina would be key to success. As chairman of the Subcommittee on Higher Education, Rep. Hinojosa said he wanted to stress the importance of education, anticipating for this area "the biggest legislative proposal since the G.I. bill," authorizing a sizable increase for student loans in the midst of the current credit crunch. He said he had challenged local Amcham members the day before to increase their sponsorship of programs like Youth Ambassadors.

¶5. (SBU) Rep. Ryan said the tough times ahead were breeding political anxieties that made it imperative to establish personal relationships across borders, which was why the codel appreciated the warm reception it had received from Argentines. He spoke of Argentina's talented human resource pool, its enormous potential, and its role as hemispheric linchpin, and he asked Taiana about the December 16-17 summit meetings in Brazil.

Argentina's Situation

¶16. (SBU) Taiana acknowledged that Argentina had been, politically and economically, on a downward trajectory for the last 60 years. It had just celebrated 25 years since the return to democracy, marking Argentina's longest spell of uninterrupted democratic rule, a signal achievement. In the management of the economy, there was no longer a fundamental clash over ideologies. The Kirchner administration, "supposedly populist," had sought to capitalize on favorable circumstances, such as high commodity prices, with prudent policies leading to its twin surplus (fiscal and trade). Argentina had long had a history of boom-and-bust cycles, but "this time, we will prove that things have changed," said Taiana. He pointed out that Argentina and Brazil (unlike, he claimed, Mexico, Chile, Colombia, and Peru), compete with the United States on agricultural products. He claimed that Argentina sold to the United States only seven percent of its exports, approximately the same as to Chile.

Regional Relations

¶17. (SBU) Taiana said he thought the U.S. agenda in recent years had been narrowly limited to security issues, including counter-terrorism and counter-narcotics, without a more global vision. The financial crisis requires a paradigm shift from all of us, he maintained. The Good Neighbor policy and the Alliance for Progress were more comprehensive than what is needed today. The United States now had the opportunity to define a new regional agenda. Taiana wondered if the new administration would have enough time to develop a vision in advance of the April 2009 Summit of the Americas in Trinidad and Tobago. He noted the runaway expectations for the new Obama administration, and he expressed admiration for openness and vitality of the American system evident in Obama's election. He averred the GOA's great desire for dialogue and cooperation with the new administration, and hoped we could work together on the Summit of the Americas. "Something for Cuba" would be a good sign, such as ending 50 years of "blockade."

¶18. (SBU) In the region, the time was ripe for a new relationship with the United States. He noted there was "ideological diversity" in Latin America, but there were no WMD, nor any religious or ethnic problems. There were weaknesses in democratic institutions, but there was also pragmatism and goodwill for dialogue (even more with the onset of the global financial crisis). Taiana said the Obama administration needed to convey commitment to dialogue and new ideas. Argentina had suffered many crises of its own making, but this crisis was made in the First World, and Argentina did not want to pay the price for the mistakes or neglect of other governments.

Importance of Dialogue

¶19. (SBU) Rep. Meeks said the lack of honest dialogue was a challenge we still needed to overcome. The world has changed, but we're still dealing with the Cold War's ideological detritus throughout the region. Rep. Meeks noted the importance of sending clear signals to avoid misunderstandings. He noted that leaving the United States and Canada out of the regional summits held in Brazil that week sent a message, as did the appearance of currying close relations with Venezuela's Hugo Chavez. He noted that he had met several times with Chavez for exchanges that were frank, and he hoped Argentina could be engaged in an honest dialogue. He said the GOA's treatment of MetLife's and New York Life's demands for compensation (related to GOA nationalization of private pension funds) would send signals to Washington. Rep. Meeks urged caution with the rhetoric. "Don't back Obama into a corner. We are all patriotic; no one wants to be offended." He noted President Cristina Fernandez de Kirchner enjoyed a positive relationship with Senator Hillary Rodham Clinton, the designee for Secretary of State, and expressed hope that together we could make full use of a window of opportunity to improve relations. Rep. Ryan added that we should not let political rhetoric cloud the potential for progress in areas of real cooperation. Rep. Meeks said we should get past differences on trade policy to make progress on our shared objective of lifting people out of poverty.

Bio Note

¶10. (U) Taiana closed the meeting by noting that he had to dash in order to attend the mid-day swearing-in of his half-brother, Luis Maria Bunge-Campos, as president of the Council of Magistrature, the administrative and disciplinary board of Argentina's judicial branch.

¶11. (U) The codel did not have the opportunity to clear this report.

WAYNE